



# PRESS RELEASE

## Internal Revenue Service - Criminal Investigation *Chief Richard Weber*

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IRS – Criminal Investigation

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### **Miami Businessman Pleads Guilty to Foreign Bribery and Fraud Charges in Connection with Venezuela Bribery Scheme**

The owner of multiple U.S.-based energy companies pleaded guilty yesterday to foreign bribery and fraud charges for his role in a scheme to corruptly secure energy contracts from Venezuela's state-owned and state-controlled energy company, Petroleos de Venezuela S.A. (PDVSA).

Assistant Attorney General Leslie R. Caldwell of the Justice Department's Criminal Division, U.S. Attorney Kenneth Magidson of the Southern District of Texas, Acting Special Agent in Charge Sean McElroy of U.S. Immigration and Customs Enforcement's Homeland Security Investigations (ICE-HSI) in Houston and Special Agent in Charge Rick Goss of Internal Revenue Service-Criminal Investigation's (IRS-CI) Houston Field Office made the announcement.

Abraham Jose Shiera Bastidas (Shiera), 52, of Coral Gables, Florida, pleaded guilty yesterday in federal court before U.S. District Judge Gray H. Miller of the Southern District of Texas in Houston to one count of conspiracy to violate the Foreign Corrupt Practices Act (FCPA) and commit wire fraud and one count of violating the FCPA. Sentencing is scheduled for July 8, 2016. Four others charged in relation to the case have pleaded guilty, including three foreign officials.

"The five convictions announced today hold to account bribe payors as well as the corrupt foreign officials who laundered the bribe money through the United States," said Assistant Attorney General Caldwell. "These individual prosecutions are the result of a tenacious and coordinated effort by our prosecutors and agents to unravel a complex web of bribes paid to Venezuelan officials. And they demonstrate our commitment to building cases from the ground up, instead of counting on companies and other wrongdoers to self-disclose their crimes."

"The pleas of guilty in this case are the result of the strict enforcement of the FCPA in this district," said U.S. Attorney Magidson. "Bribery under this law is a serious federal crime that undermines commercial and political relations around the world. This case is an example of our reach to expose this criminal conduct."

Shiera was arrested in Miami on Dec. 16, 2015, after a federal grand jury returned an 18-count indictment against him and Roberto Enrique Rincon Fernandez (Rincon), 55, of The Woodlands, Texas. According to admissions made in connection with Shiera's plea, Shiera and Rincon worked together to submit bids to provide equipment and services to PDVSA through their various companies. Shiera admitted that beginning in 2009, he and Rincon agreed to pay bribes and other things of value to PDVSA purchasing analysts to ensure that his and Rincon's companies were placed on PDVSA bidding panels, which enabled the companies to win lucrative energy contracts with PDVSA. Shiera also made bribe payments to other PDVSA officials in order to ensure that his companies were placed on PDVSA-approved vendor lists and given payment priority so that they would get paid ahead of other PDVSA vendors with outstanding invoices, he admitted.

"Bribery and corruption undermines honest, free enterprise and creates an atmosphere of back room dealing that impairs the ability for honest businesses to compete," said Special Agent in Charge Goss. "IRS-CI tirelessly untangles the web of illicit transactions that lead to corrupt individuals being held accountable."

"The corruption of foreign officials through bribery has a damaging impact on the stability of trade, industries and even nations," said Acting Special Agent in Charge McElroy. "HSI and our partners will tirelessly investigate anyone who cultivates the corruption of officials abroad and bribe their way to financial gain."

Judge Miller also unsealed charges yesterday against four other individuals charged in connection with the investigation. In January 2016, Moises Abraham Millan Escobar (Millan), 32, of Katy, Texas, pleaded guilty under seal to one count of conspiracy to violate the FCPA for his role in the PDVSA bribery scheme. Millan was Shiera's former employee. In December 2015, three former PDVSA officials, Jose Luis Ramos Castillo (Ramos), 38; Christian Javier Maldonado Barillas (Maldonado), 39; and Alfonzo Eliezer Gravina Munoz (Gravina), 53, all from Katy, each pleaded guilty under seal to conspiracy to commit money laundering. As part of their guilty pleas, Ramos, Maldonado and Gravina each admitted that while employed by PDVSA or its wholly owned subsidiaries or affiliates, they accepted bribes from Shiera and Rincon in exchange for taking certain actions to assist companies owned by Shiera and Rincon in winning energy contracts with PDVSA. Ramos, Maldonado and Gravina also admitted that they conspired with Shiera and Rincon to launder the proceeds of the bribery scheme. Gravina also pleaded guilty to making false statements on his 2010 federal income tax return by failing to report the bribe payments he received from Shiera, Rincon and others. As part of their plea agreements, Shiera, Millan, Ramos, Maldonado and Gravina all agreed to forfeit proceeds of their criminal activity.

The charges against Rincon remain pending. He is charged with one count of conspiracy to violate the FCPA and commit wire fraud, one count of conspiracy to commit money laundering, seven counts of money laundering and four counts of violating the FCPA. Rincon was ordered detained pending trial following a detention hearing held on Dec. 18, 2015, before U.S. Magistrate Judge Nancy K. Johnson of the Southern District of Texas. The charges contained in the indictment are merely accusations, and Rincon is presumed innocent unless and until proven guilty beyond a reasonable doubt in a court of law.

ICE-HSI and IRS-CI are conducting the ongoing investigation with assistance from the FBI. Trial Attorneys Aisling O'Shea and Jeremy R. Sanders of the Criminal Division's Fraud Section and Deputy Chief John Pearson and Assistant U.S. Attorney Robert S. Johnson of the Southern District of Texas are prosecuting the case. Assistant U.S. Attorneys Kristine Rollinson and Vincent Carroll of the Southern District of Texas are handling the forfeiture aspects of the case.

The Criminal Division's Office of International Affairs also provided assistance.

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